

GOVERNMENT OF TELANGANA
ABSTARACT

Animal Husbandry, Dairy Development & Fisheries Department – Constitution of District Level Committees for smooth and effective implementation of NCDC Schemes in 8 Districts of Telangana State - Orders – Issued.

ANIMAL HUSBANDRY, DAIRY DEVELOPMENT & FISHERIES (AH) DEPARTMENT

G.O.RT.No. 129

Dated: 29-08-2016

Read:-

From the M.D., TSSGDCFL, Hyd., Lr.No. 234/TSSGDCFL/T2/2014,
dt. 26-07-2016

ORDER:

In the circumstances reported by the Managing Director, Telangana Sheep & Goat Development Cooperative Federation Ltd., Hyderabad in the letter read above, Government, after careful examination, hereby Constitute District Level Committees for implementation of NCDC Scheme for grounding of Sheep Units in (8) districts of Telangana State Viz., Adilabad, Karimnagar, Khammam, Medak, Nalgonda, Nizamabad, Warangal and Ranga Reddy along with Operational Guidelines as mentioned in the Annexure, as follows: -

I) COMMITTEE FOR IDENTIFICATION OF BENEFICIARIES:

1.	President/ Secretary PSBCS	Chairman
2.	Director of the District Sheep Union of local area	Member
3.	Sub Divisional Cooperative Officers (SDLCOs).	Member
4.	Executive Directors of DSBCU's.	Member-Convener

- ❖ The Committee will identify the eligible beneficiary duly verifying the loan applications and guidelines for identification of the beneficiary.

II) PURCHASING COMMITTEE MEMBERS.

1.	Concerned President PSBCS/ Area Director of District Union – Chairman	
2.	Local Veterinary Assistant Surgeon (VAS)	Member-Convener
3.	Beneficiary.	Member
4.	President / ED, DSBCU may also participate.	Member

- ❖ The Committee will ground the unit as per the Operational guidelines of NCDC

III) DISTRICT LEVEL MONITORING COMMITTEE.

1.	Collector & District Magistrate	Chairman
2.	District Co-operative Officer	Member
3.	President, DSBCU	Member
4.	Concerned Executive Director, DSBCU	Member
5.	Joint Director of Animal Husbandry	Member-Convenor

- ❖ The Committee will review and Monitor the NCDC Scheme Implementation in the District on Quarterly basis.

(P.T.O)

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2. The Managing Director, Telangana State Sheep and Goat Development Cooperative Federation Limited, Hyderabad shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

**SURESH CHANDA
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Managing Director, T.S. Sheep & Goat Dev. Coop, Fed. Ltd., Hyd.

Copy to:

The Director of Animal Husbandry, TS, Hyderabad.

The Director of Treasuries & Accounts, Telangana, Hyderabad.

The P.S. to Principal Secretary to Govt. AHDD&F Department, Telangana.

SC/SF

//Forwarded :: By : Order//

SECTION OFFICER.

ANNEXURE.
(to G.O.Rt.No.129,AHDD&F(AH) Deptt, Dt:29.08.2016)

OPERATIONAL GUIDELINES FOR IMPLEMENTATION OF NCDC SCHEME FOR DEVELOPMENT OF SMALL RUMINANTS IN TELANGANA STATE

The National Cooperative Development Corporation (NCDC), New Delhi is the National Level organization, which lends loans on credit basis to the Primary and Secondary level Cooperative Societies for certain schemes. It obtains the subsidy from Government of India and releases along with the loan component. Majorly, it assists the schemes related to Agriculture and its allied programmes and the livestock development schemes are one of them.

The existing funding pattern for livestock development schemes is that, out of the total project cost, the NCDC releases 60% as loan and 20% as Subsidy of Central Sector Integrated Scheme of Agricultural Cooperation (CSISAC) from GoI and the beneficiary shall bear remaining 20% cost of the Unit. At present, the NCDC charging interest @11.20% on the loan component, as effective rate of interest.

Therefore, with an objective to assist the sheep rearers and also to strengthen the Primary Sheep Breeders Cooperative Societies, the State Government took up the Integrated Small Ruminant Development Programme on pilot basis in Mahabubnagar District by taking the Loans from NCDC, New Delhi for the block cost of Rs.64.00 crore in the year 2012-13 and it is being successfully implemented through the State Sheep and Goat Development Cooperative Federation.

By seeing the successful implementation of the programme in Mahabubnagar District, the Government of Telangana decided to extend the NCDC programme in remaining 8 Districts of Telangana i.e., Adilabad, Karimnagar, Nizamabad, Khammam, Warangal, Medak, Ranga reddy and Nalgonda.

The NCDC, New Delhi has sanctioned the project with an outlay of Rs.398.88 crore for Integrated Small Ruminant Development Programme in above 8 Districts of Telangana and released Rs.63.82 crore i.e., 20% of outlay as first year component. This programme will be phased out over three years.

With this backdrop, it is decided to frame operational guidelines basing on the experiences of Mahabubnagar model for smooth and effective implementation of NCDC programme in the entire State.

The District Sheep Breeders Cooperative Union (DSBCU) is the programme implementing authority and the District Sheep Breeders Cooperative Unions (DSBCU) together with Primary Sheep Breeders Cooperative Societies (PSBCS) are sole responsible for implementation of the programme.

The District Collector shall take over all responsibility for successful implementation of the programme in the capacity of Chairman, District Monitoring Committee.

PROCEDURE OF IMPLEMENTATION OF NCDC SCHEME:

- **FUNDS FLOW:**

The State Government shall borrow the loan component along with eligible subsidy from NCDC, New Delhi and shall release to TSSGDCFL. The TSSGDCFL shall in turn release the loan plus subsidy portion to the District Unions. The Primary Sheep Breeders Cooperative Society shall collect 20% beneficiary share from the eligible beneficiaries among the Society members and remit to the District Union. The District Union shall release total unit cost to Primary Society. The Primary Society shall release total unit cost to the beneficiary for grounding of unit.

Likewise, the loan and interest components shall be in the reverse order from the Primary Society to the District Union, District Union to Federation and Federation to State Government.

II. ROLES AND RESPONSIBILITIES:

The State Government borrows the loan from NCDC, New Delhi along with the eligible subsidy and pays back the principal plus interest components to NCDC New Delhi.

The TSSGDCFL receives the loan component plus subsidy portion from State Government and transmit the same to the District Sheep Breeders Cooperative Unions i.e., scheme implementing agency. The state Sheep Federation remits the principal plus interest component into the Government Head of Account received from the DSBCU.

The District Sheep Breeders Cooperative Union (DSBCU) selects the eligible societies among member societies, releases total unit cost to the Primary Societies (by collecting beneficiary share), keep custody of loan documents, grounding of units and prompt recovery of loan plus interest amount from the Societies and remittance to State Sheep Federation for onward payment to State Government.

Primary Sheep Breeders Cooperative Societies (PSBCS) are responsible for identification of eligible beneficiaries, registration of properties in favour of Society on scrutiny, collection of 20% beneficiary contribution, grounding of units and recovery of loan plus interest amounts from the beneficiary and remittance of the same to the District Union.

III. NORMS FOR IDENTIFICATION OF SOCIETIES:

- a. There shall be an elected/PIC Committee to manage the affairs of the society.
- b. Audit of the Society shall be completed for the previous three years period.
- c. There shall not be instances of misappropriation or misuse of funds by the committee members/ Members.
- d. The Societies shall be selected by District Union basing on the viability, credibility and feasibility with (3) years seniority.
- e. If more number of Societies are eligible for sanction of loans, the seniority of the Society shall be considered.

- f. If more number of Societies with same seniority, the Societies with more number of members shall be considered first.
- g. The District Union shall be responsible for identifying eligible Societies and recommend for sanction of loans with Management Committee resolution.

IV. NORMS FOR IDENTIFICATION OF BENEFICIARY:

- a. The beneficiary shall be a member of Society.
- b. The beneficiary shall have immovable property either Land/House/Shed with registration document (sada bainama) and he should create charge in **Form B** in favour of PSBCS. If the beneficiary is not having any immovable property, the guarantors' property shall be mortgaged to issue loan.
- c. He shall not be a defaulter to the society as on the date.
- d. He shall abide by the terms & conditions laid down by the NCDC/District Union/Federation/Government.
- e. Membership seniority shall be taken as criteria for selection of beneficiaries within the Societies.
- f. If more beneficiaries are having same seniority, member who is having less number of sheep will be given first preference.
- g. The beneficiary shall have a bank account.

V. PREPARATION OF THE LOAN APPLICATION:

- a. After selection of the beneficiary, the District Union shall arrange for orientation to the beneficiaries on the technical aspects, funding pattern, loan recovery of the NCDC scheme etc,
- b. There shall be resolution of the Society for sanction of loan to the beneficiary.
- c. There are 26 legal documents which are to be filled up by the concerned individual with the assistance of President/Secretary of PSBCS.
- d. The Society shall take the responsibility for filling up of loan application form by collecting Rs.100/- from the beneficiary.
- e. An Agreement deed has to be signed between applicant of Society and President of the Society at primary level, President of Society and with District Union at secondary level.
- f. The beneficiary shall furnish undertaking for the documents produced for sanction of loan.

VI. SCRUTINY OF THE APPLICATIONS:

1. Executive Director, DSBCU **or** his nominee
2. Joint Director (AH) **or** his nominee
3. District Cooperative Officer **or** his nominee

The Committee will scrutinize all the applications and recommend for sanction of the loans. If any application is found ineligible that will be rejected and the Society shall be requested to rectify the application **or** to send the new one.

VII. JOINT INSPECTION TEAM:-

1. Representative from the DSBCU
2. Divisional Assistant Director (AH) or his nominee
3. Divisional Level Cooperative Officer or his nominee

This Joint Inspection Team shall make surprise visit and verify 20% of the beneficiaries identified in the respective divisions and pass its remarks for sanction/rejection of the loans. The Societies shall be kept under black list, if the ineligible members are found by the Joint Inspection Team.

VIII. SANCTION OF LOAN APPLICATION: -

- The District Union shall take the approval of Chairman, District Monitoring Committee for NCDC & District Collector for sanction of loans, basing on the resolution passed by the District Union
- All the documents filled and signed along with mortgage, surety bonds etc, shall be kept under the safe custody of District Union.

1) Purchasing Committee:

- The Committee will ground the unit as per the norms.
- The age of the animal should be more than one year.
- The transit insurance shall be covered.
- The beneficiary also shall be covered under insurance.

2) District Level Monitoring Committee:

- The meeting of the committee shall be conducted regularly for monitoring the progress every month during the time of grounding.
- After completion of grounding, the meetings shall be conducted once in every three months.
- The concerned Executive Director has to furnish the meeting minutes to the Federation promptly.

IX. 20% BENEFICIARY CONTRIBUTION:

Before release of the loan + subsidy from the District Sheep Breeders Cooperative Union, the beneficiary has to remit the 20% share amount to the District Union through the PSBCS (President / Director) and obtain receipt accordingly.

X. GROUNDING OF SHEEP UNITS:

The purchase of animals shall be made from at least 50 kms away from the beneficiary village preferably outside the state. After the purchase, photos of Animals are to be taken, which should include the purchasing committee members, animals with tags. The PSBCS shall take the responsibility of photo evidence. Animals should be insured for a period of one year at the time of purchase.

The following Units are going to be given to the selected beneficiaries:

Sl.No.	NCDC Scheme Unit	Unit Cost
1	20 Ewes + 1 Ram	1.00 Lakh
2	50 Ewes + 2 Rams	2.68 Lakhs
3	100 Ewes + 5 Rams	5.36 Lakhs

XI. CONSTRUCTION OF SHED:

For the Units of 50+2, 100+5, the beneficiary shall erect a Thatched Shed with an amount of Rs.10,000/- and Rs.15,000/- respectively.

XII. 2% PROCESSING FEE: -

The processing fee shall be collected @ 2% from the beneficiary on 60% Loan and 20% Subsidy (80% NCDC component). **Example:** an amount of Rs.1600/- shall be collected from the 20+1 Unit with a unit cost of Rs.1.00 Lakh.

XIII. VETERINARY AID:

Veterinary Aid shall be provided by the concerned Local Veterinary Assistant Surgeon.

XIV. RESPONSIBILITY FOR REPAYMENT OF LOAN:

- The Beneficiary.
- President/ Secretary of the Society.
- Area Director of District Union
- President DSBCU/ ED DSBCU

XV. SHEEP INSURANCE:

Insurance coverage of Sheep is essential. The Insurance premium will be as per the MOU with the Insurance Company on the cost of the animal. The Insurance premium amount shall be shared between Government and Beneficiary i.e. 2/3rd by the Government and 1/3rd by the Beneficiary + Service charge as applicable from time to time. The funds released to Animal Husbandry department under Normal State Plan shall be utilized for the purpose.

XVI. CLAIMS:

Post Mortem Certificate shall be issued by the concerned Veterinary Assistant Surgeon for claiming the loss. It is the responsibility of Insurance Company to settle the claims as per the terms and conditions.

XVII. DURATION OF LOAN REPAYMENT (8 years):

The NCDC loan shall be for a period of 8 years including moratorium of one year. There shall be no moratorium on payment of interest. The interest rates shall be as decided by NCDC, New Delhi from time to time.

The loan shall carry the following rate of interest (Present rate of Interest communicated by NCDC, New Delhi):

- Effective rate of interest if paid before due date - 10.70% per annum
- Normal Rate of interest if paid after the due date - 11.70% per annum
- Penal Interest on overdue installments - 2.50% Extra for the period of default.

The Executive Director, DSBCU shall issue demand notice/reminder to the loanee from time to time.

XVIII. MAINTENANCE OF REGISTERS:

At the Primary Society level and at the District Unit level, Loan Distribution, Loan Ledger, Cash Book should be maintained. Pass Books should be maintained by the beneficiary at Society level/union level.

XIX. UTILISATION CERTIFICATE:

Soon after completion of Grounding of Sheep Units, utilization certificate shall be furnished to the State Sheep Federation.

XX. MONTHLY/QUARTERLY PERIODICAL REPORTS:

- Grounding of Units
- Funds availability
- Recovery of loan
- Insurance claims reports shall be submitted to the concerned Joint Director (A.H) and Sheep Federation.

XXI. LOAN CLEARANCE:

The District Union, soon after recovery of total amount with Interest, the mortgaged documents shall be handed over back to the concerned beneficiary. A clearance Certificate duly signed by the Executive Director, DSBCU shall be given to the beneficiary by cancelling the Mortgage.

SURESH CHANDA
PRINCIPAL SECRETARY TO GOVERNMENT

//Forwarded :: By : Order//

SECTION OFFICER.